



CITY OF DURHAM | NORTH CAROLINA

Date: August 15, 2011

To: Thomas J. Bonfield, City Manager

Through: Wanda S. Page, Deputy City Manager

From: David Boyd, Finance Director
Joseph W. Clark, Financial Operations Manager
Clayton Hearne, Fleet Manager

Subject: Piggyback Purchase – One Custom Pumper Truck

Executive Summary

The contract under consideration will provide the Fire Department with one (1) Custom Pumper Truck. For the purposes of this contract, the Administration is recommending purchasing the Pumper Truck from an existing City of Versailles, Kentucky contract that was awarded in December 2010. North Carolina General Statute 143-129(g) allows an exception to the bidding process for “piggyback” purchases.

The Administration has analyzed market conditions, has compared the pricing to other recent similar bids, and recommends using the “piggyback” provision.

The total cost of the contract is \$387,902.60. Funding for this contract is available from the Fire Department general fund (62000122.732300).

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Sutphen Corporation of Amlin, Ohio and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

Recommendation

That the City Manager be authorized to enter into a contract with the Sutphen Corporation, in the amount of \$387,902.60, for providing the City with one (1) Sutphen Custom Pumper Truck.

That the City Manager be authorized to modify the contract before execution provided that the modifications do not increase the dollar amount of the contract and the modifications are consistent with the general intent of the existing version of the contract.

Background

The contract under consideration will provide the Fire Department with one (1) Sutphen Custom Pumper Truck. For the purposes of this contract, the Administration is recommending purchasing the Sutphen Custom Pumper Truck from an existing City of Versailles, Kentucky contract that was awarded in December 2010.

Making purchases from your own or another governmental agency's contract is referred to as "piggybacking". North Carolina General Statute 143-129(g) allows an exception to the bidding process. The exception reads as follows:

Waiver of Bidding for Previously Bid Contracts. - When the governing board of any political subdivision of the State, or the manager or purchasing official delegated authority under subsection (a) of this section, determines that it is in the best interest of the unit, the requirements of this section may be waived for the purchase of apparatus, supplies, materials, or equipment from any person or entity that has, within the previous 12 months, after having completed a public, formal bid process substantially similar to that required by this Article, contracted to furnish the apparatus, supplies, materials, or equipment to:

- (1) The United States of America or any federal agency;
- (2) The State of North Carolina or any agency or political subdivision of the State; or
- (3) Any other state or any agency or political subdivision of that state, if the person or entity is willing to furnish the items at the same or more favorable prices, terms, and conditions as those provided under the contract with the other unit or agency. Notwithstanding any other provision of this section, any purchase made under this subsection shall be approved by the governing body of the purchasing political subdivision of the State at a regularly scheduled meeting of the governing body no fewer than 10 days after publication of notice, that a waiver of the bid procedure will be considered in order to contract with a qualified supplier pursuant to this section. Rules issued by the Secretary of Administration pursuant to G.S. 143-49(6) shall apply with respect to participation in State term contracts.

The Sutphen Corporation has agreed to furnish the City with one (1) Sutphen Custom Pumper Truck per the same pricing and conditions as in the City of Versailles, Kentucky contract.

Issues/Analysis

In December 2010, the City of Versailles, Kentucky awarded a contract to the Sutphen Corporation for a Custom Pumper Truck. The Administration is recommending purchasing one (1) Sutphen Custom Pumper Truck from this City of Versailles, Kentucky contract.

For the purposes of this contract, the piggyback method offers the City the following advantages:

- Quicker delivery time.
- Excellent Pricing (The pricing received via the City of Versailles, Kentucky contract is less expensive than the budget estimate).
- Standardization. The City has standardized on Sutphen brand Pumper, Ladder, and Platform trucks.

Alternatives

The City could choose not to use the “piggyback” provision and seek new bids. Seeking new bids would delay the award process and most likely result in higher prices. The Administration has analyzed market conditions, has compared the pricing to other recent similar bids, and recommends using the “piggyback” provision.

Financial Impact

The total cost of the contract is \$387,902.60. Funding for this contract is available from the Fire Department general fund (62000122.732300).

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Sutphen Corporation of Amlin, Ohio and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting.

SDBE REQUIREMENTS

There were no SDBEs to provide this Product.

WORKFORCE STATISTICS

The workforce statistics for Sutphen Corporation are as follows:

Total Workforce	228	100%
Total Females	24	11%
Total Males	204	89%
Black Males	4	1%
White Males	200	88%
Other Males	0	0%
Black Females	0	0%
White Females	23	10%
Other Females	1	1%